

WINNING WITH SMBs **OPTIMIZING TECHNOLOGY AND DATA**

TO DRIVE DEEP ENGAGEMENT

New payments methods lead the charge Global non-cash transactions

Global non-cash transaction volumes projected to grow,

fuelled by a mature digital infrastructure

Forecasted CAGR 2021-2026F



Forecasted

9.6%

billion\$ Global non-cash B2B transactions CAGR 2021-2026F to reach 4

Growth

New payment methods (instant payments, e-money, mobile and digital wallets,

2022

account-to-account, QR code) Around expected to reach of total non-cash transactions in 2021

to reach **2,121.6**

billion\$

89% due to unresolved process and technology issues Inefficient invoice reconciliation 79% Bank/KYC documentation and 76% other compliance issues

While small and medium businesses (SMBs) are the backbone

of the economy, traditional payments providers are struggling

to meet their expectations

say they are reconsidering primary bank relationships



14% Third-party solution/technology integration costs Revamping mid- and back-office processes

Building new innovative services

Refurbishing payments infrastructure (cloud, API, etc.)

Cost of regulatory compliance (AML, data privacy, PSD2, etc.)

2%

7%

50%

Running

Payments

initiation services

VAM

Fee products

Interaction

layer

Assurance

services

26%

Changing **Payments**

Only 26% of the payment executives ranked innovation IT spending as their top priority Sources: Capgemini Research Institute for Financial Services, 2022; World Payments Report 2022 Executive survey, N=125. Note: The total may not add up to 100% due to rounding. Question to bank and payments executives: Where have you spent most of your 2021–22 technology budget? (The graph above represents executives who ranked IT spending categories as their top priority, within a scale where 1 = Highest spent area and 4 = Least spent area2. Rethink platform strategy: embrace composability to configure services, capabilities, and features on the go Open account information proprietary systems

(Embedded/invisible) management Data-based value added services Cash & liquidity management

equest Direct Debit prepair

PAYMENT

HUB

(Form factors, QR.

cards, mobile)

AML

BNPL

Fund Products

Utility

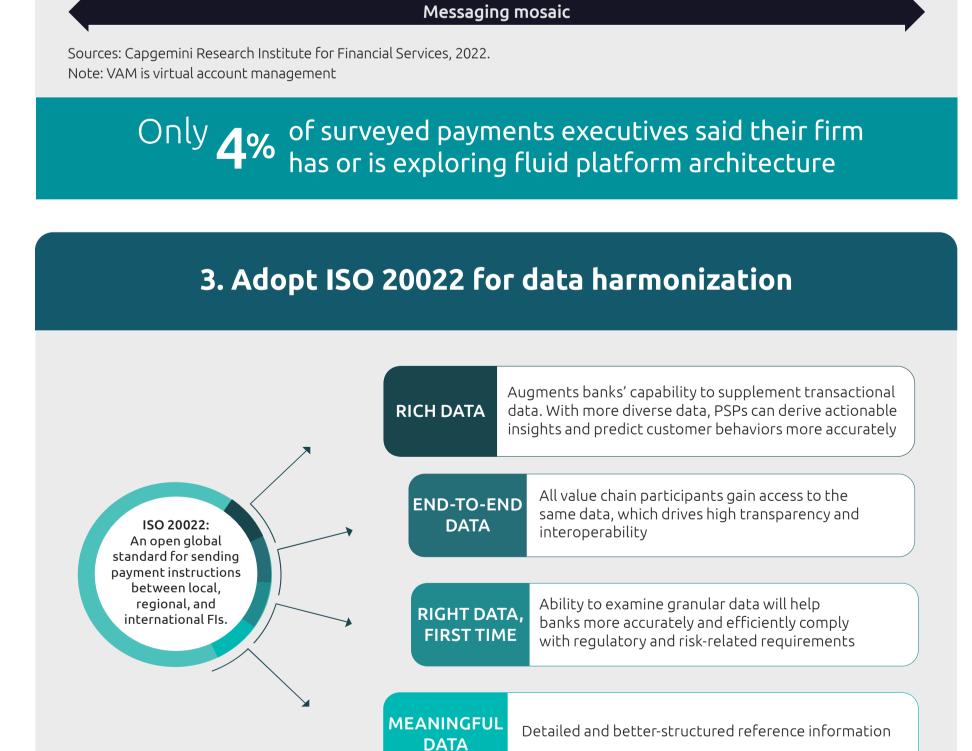
services

Interaction

layer

Confirmation of payee

(COP)



70% of banking executives Over **60%** said they lack ISO 20022 use will represent about 79% believe their available data is the right tools and ability to of total high-value-payment unreliable and difficult to manage unstructured data

elevated SMB customer journeys

Composable platform + harmonized data =

4. Explore new payment possibilities through Distributed **Ledger Technology solutions 62%** of surveyed payments executives said DLT could help

process for insights

unlock new value sources,

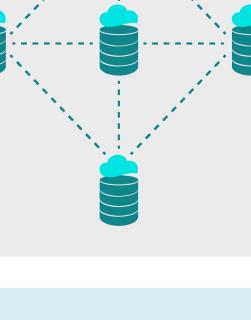
DLT-related innovation as a

high 2023 transformation

priority

but only 25% ranked

Sources: Capgemini Research Institute for Financial Services, 2022; SWIFT.



Banks and payment service providers can win with

SMBs by...

platforms would improve trade finance efficiency and reduce transaction costs

75% of SMBs said DLT-based

85% of SMBs said they want

corporate treasury and trade finance DLT offerings by 2027

market volume by 2025





